

THE HONOURABLE SRI JUSTICE NOOTY RAMAMOHANA RAO

W.P.No.16211 of 1996

Date: 05-02-2007

Between:

The Dottappaguda Primary Agricultural Cooperative Credit
Society Ltd., rep. by it's President
Sri K.Ramakrishna Reddy and others

Petitioners

And

The General Manager,
the Nalgonda District Cooperative Central Bank,
Nalgonda District and another.

Respondents

**THE HONOURABLE SRI JUSTICE NOOTY RAMAMOHANA
RAO**

W.P.No.16211 of 1996

ORDER:

1. The subject matter of this writ petition centers around the question as to whether the premium payable to the crop insurance is liable to be deducted by the respondent bank at the time of disbursement of crop loans to the agricultural farmers or not. The same issue has fallen for consideration before a Division Bench of this court in **Andhra Pradesh Rythu Sangham V. Union of India and others** ^[1] and the Division Bench had answered the same in the affirmative pointing out that the banks are entitled to effect the deductions towards crop insurance premium and pass it on to the insurance company and that there is nothing wrong or illegal about deducting the said amount from the loan sanctioned and disbursed.
2. In view of the judgment rendered by the Division Bench of this court in **Andhra Pradesh Rythu Sangham V. Union of India and others**, referred to supra, the writ petition is dismissed, but however, without costs.

NOOTY RAMAMOHANA

RAO,J

05-02-2007

Stp

[\[1\]](#) 2002 (2) ALD 486 (DB)